

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 931

94TH GENERAL ASSEMBLY
2008

4116S.14T

AN ACT

To repeal sections 135.800, 135.805, 142.028, 260.546, 261.035, 261.230, 261.235, 261.239, 263.232, 265.200, 278.070, 281.260, 340.337, 340.341, 340.375, 340.381, 340.384, 340.387, 340.390, 340.393, 340.396, 340.399, 340.402, 340.405, 348.430, 348.432, and 348.505, RSMo, and to enact in lieu thereof thirty-seven new sections relating to the administration of agriculture incentives and programs.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 135.800, 135.805, 142.028, 260.546, 261.035, 261.230, 261.235, 261.239, 263.232, 265.200, 278.070, 281.260, 340.337, 340.341, 340.375, 340.381, 340.384, 340.387, 340.390, 340.393, 340.396, 340.399, 340.402, 340.405, 348.430, 348.432, and 348.505, RSMo, are repealed and thirty-seven new sections enacted in lieu thereof, to be known as sections 135.710, 135.800, 135.805, 142.028, 144.053, 144.063, 260.546, 261.035, 261.230, 261.235, 261.239, 263.232, 265.200, 267.168, 278.070, 281.260, 340.337, 340.341, 340.375, 340.381, 340.384, 340.387, 340.390, 340.393, 340.396, 348.230, 348.235, 348.430, 348.432, 348.505, 348.515, 348.518, 348.521, 348.524, 348.527, 348.530, and 348.533, to read as follows:

135.710. 1. As used in this section, the following terms mean:

(1) "Alternative fuels", any motor fuel at least seventy percent of

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

3 the volume of which consists of one or more of the following:

4 (a) Ethanol;

5 (b) Natural gas;

6 (c) Compressed natural gas;

7 (d) Liquified natural gas;

8 (e) Liquified petroleum gas;

9 (f) Any mixture of biodiesel and diesel fuel, without regard to

10 any use of kerosene;

11 (g) Hydrogen;

12 (2) "Department", the department of natural resources;

13 (3) "Eligible applicant", a business entity that is the owner of a

14 qualified alternative fuel vehicle refueling property;

15 (4) "Qualified alternative fuel vehicle refueling property",

16 property in this state owned by an eligible applicant and used for

17 storing alternative fuels and for dispensing such alternative fuels into

18 fuel tanks of motor vehicles owned by such eligible applicant or private

19 citizens which, if constructed after August 28, 2008, was constructed

20 with at least fifty-one percent of the costs being paid to qualified

21 Missouri contractors for the:

22 (a) Fabrication of premanufactured equipment or process piping

23 used in the construction of such facility;

24 (b) Construction of such facility; and

25 (c) General maintenance of such facility during the time period

26 in which such facility receives any tax credit under this section.

27 If no qualified Missouri contractor is located within seventy-five miles

28 of the property, the requirement that fifty-one percent of the costs shall

29 be paid to qualified Missouri contractors shall not apply;

30 (5) "Qualified Missouri contractor", a contractor whose principal

31 place of business is located in Missouri and has been located in

32 Missouri for a period of not less than five years.

33 2. For all tax years beginning on or after January 1, 2009, but

34 before January 1, 2012, any eligible applicant who installs and operates

35 a qualified alternative fuel vehicle refueling property shall be allowed

36 a credit against the tax otherwise due under chapter 143, RSMo,

37 excluding withholding tax imposed by sections 143.191 to 143.265,
38 RSMo, or due under chapter 147, RSMo, or chapter 148, RSMo, for any
39 tax year in which the applicant is constructing the refueling
40 property. The credit allowed in this section per eligible applicant shall
41 not exceed the lesser of twenty thousand dollars or twenty percent of
42 the total costs directly associated with the purchase and installation of
43 any alternative fuel storage and dispensing equipment on any qualified
44 alternative fuel vehicle refueling property, which shall not include the
45 following:

46 (1) Costs associated with the purchase of land upon which to
47 place a qualified alternative fuel vehicle refueling property;

48 (2) Costs associated with the purchase of an existing qualified
49 alternative fuel vehicle refueling property; or

50 (3) Costs for the construction or purchase of any structure.

51 3. Tax credits allowed by this section shall be claimed by the
52 eligible applicant at the time such applicant files a return for the tax
53 year in which the storage and dispensing facilities were placed in
54 service at a qualified alternative fuel vehicle refueling property, and
55 shall be applied against the income tax liability imposed by chapter
56 143, RSMo, chapter 147, RSMo, or chapter 148, RSMo, after all other
57 credits provided by law have been applied. The cumulative amount of
58 tax credits which may be claimed by eligible applicants claiming all
59 credits authorized in this section shall not exceed the following
60 amounts:

61 (1) In taxable year 2009, three million dollars;

62 (2) In taxable year 2010, two million dollars; and

63 (3) In taxable year 2011, one million dollars.

64 4. If the amount of the tax credit exceeds the eligible applicant's
65 tax liability, the difference shall not be refundable. Any amount of
66 credit that an eligible applicant is prohibited by this section from
67 claiming in a taxable year may be carried forward to any of such
68 applicant's two subsequent taxable years. Tax credits allowed under
69 this section may be assigned, transferred, sold, or otherwise conveyed.

70 5. An alternative fuel vehicle refueling property, for which an

71 eligible applicant receives tax credits under this section, which ceases
72 to sell alternative fuel shall cause the forfeiture of such eligible
73 applicant's tax credits provided under this section for the taxable year
74 in which the alternative fuel vehicle refueling property ceased to sell
75 alternative fuel and for future taxable years with no recapture of tax
76 credits obtained by an eligible applicant with respect to such
77 applicant's tax years which ended before the sale of alternative fuel
78 ceased.

79 6. The director of revenue shall establish the procedure by which
80 the tax credits in this section may be claimed, and shall establish a
81 procedure by which the cumulative amount of tax credits is
82 apportioned equally among all eligible applicants claiming the credit.
83 To the maximum extent possible, the director of revenue shall establish
84 the procedure described in this subsection in such a manner as to
85 ensure that eligible applicants can claim all the tax credits possible up
86 to the cumulative amount of tax credits available for the taxable year.
87 No eligible applicant claiming a tax credit under this section shall be
88 liable for any interest or penalty for filing a tax return after the date
89 fixed for filing such return as a result of the apportionment procedure
90 under this subsection.

91 7. Any eligible applicant desiring to claim a tax credit under this
92 section shall submit the appropriate application for such credit with
93 the department. The application for a tax credit under this section
94 shall include any information required by the department. The
95 department shall review the applications and certify to the department
96 of revenue each eligible applicant that qualifies for the tax credit.

97 8. The department and the department of revenue may
98 promulgate rules to implement the provisions of this section. Any rule
99 or portion of a rule, as that term is defined in section 536.010, RSMo,
100 that is created under the authority delegated in this section shall
101 become effective only if it complies with and is subject to all of the
102 provisions of chapter 536, RSMo, and, if applicable, section 536.028,
103 RSMo. This section and chapter 536, RSMo, are nonseverable and if any
104 of the powers vested with the general assembly pursuant to chapter

105 **536, RSMo, to review, to delay the effective date, or to disapprove and**
106 **annul a rule are subsequently held unconstitutional, then the grant of**
107 **rulemaking authority and any rule proposed or adopted after August**
108 **28, 2008, shall be invalid and void.**

109 **9. Pursuant to section 23.253, RSMo, of the Missouri sunset act:**

110 **(1) The provisions of the new program authorized under this**
111 **section shall automatically sunset six years after the effective date of**
112 **this section unless reauthorized by an act of the general assembly; and**

113 **(2) If such program is reauthorized, the program authorized**
114 **under this section shall automatically sunset twelve years after the**
115 **effective date of the reauthorization of this section; and**

116 **(3) This section shall terminate on December thirty-first of the**
117 **calendar year immediately following the calendar year in which the**
118 **program authorized under this section is sunset.**

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known
2 and may be cited as the "Tax Credit Accountability Act of 2004".

3 2. As used in sections 135.800 to 135.830, the following terms mean:

4 (1) "Administering agency", the state agency or department charged with
5 administering a particular tax credit program, as set forth by the program's
6 enacting statute; where no department or agency is set forth, the department of
7 revenue;

8 (2) "Agricultural tax credits", the agricultural product utilization
9 contributor tax credit created pursuant to section 348.430, RSMo, the new
10 generation cooperative incentive tax credit created pursuant to section 348.432,
11 RSMo, **the family farm breeding livestock loan tax credit created under**
12 **section 348.505, RSMo, the qualified beef tax credit created under**
13 **section 135.679**, and the wine and grape production tax credit created pursuant
14 to section 135.700;

15 (3) "All tax credit programs", the tax credit programs included in the
16 definitions of agricultural tax credits, business recruitment tax credits,
17 community development tax credits, domestic and social tax credits,
18 entrepreneurial tax credits, environmental tax credits, housing tax credits,
19 redevelopment tax credits, and training and educational tax credits;

20 (4) "Business recruitment tax credits", the business facility tax credit

21 created pursuant to sections 135.110 to 135.150 and section 135.258, the
22 enterprise zone tax benefits created pursuant to sections 135.200 to 135.270, the
23 business use incentives for large-scale development programs created pursuant
24 to sections 100.700 to 100.850, RSMo, the development tax credits created
25 pursuant to sections 32.100 to 32.125, RSMo, the rebuilding communities tax
26 credit created pursuant to section 135.535, and the film production tax credit
27 created pursuant to section 135.750;

28 (5) "Community development tax credits", the neighborhood assistance tax
29 credit created pursuant to sections 32.100 to 32.125, RSMo, the family
30 development account tax credit created pursuant to sections 208.750 to 208.775,
31 RSMo, the dry fire hydrant tax credit created pursuant to section 320.093, RSMo,
32 and the transportation development tax credit created pursuant to section
33 135.545;

34 (6) "Domestic and social tax credits", the youth opportunities tax credit
35 created pursuant to section 135.460 and sections 620.1100 to 620.1103, RSMo, the
36 shelter for victims of domestic violence created pursuant to section 135.550, the
37 senior citizen or disabled person property tax credit created pursuant to sections
38 135.010 to 135.035, the special needs adoption tax credit created pursuant to
39 sections 135.325 to 135.339, the maternity home tax credit created pursuant to
40 section 135.600, and the shared care tax credit created pursuant to section
41 660.055, RSMo;

42 (7) "Entrepreneurial tax credits", the capital tax credit created pursuant
43 to sections 135.400 to 135.429, the certified capital company tax credit created
44 pursuant to sections 135.500 to 135.529, the seed capital tax credit created
45 pursuant to sections 348.300 to 348.318, RSMo, the new enterprise creation tax
46 credit created pursuant to sections 620.635 to 620.653, RSMo, the research tax
47 credit created pursuant to section 620.1039, RSMo, the small business incubator
48 tax credit created pursuant to section 620.495, RSMo, the guarantee fee tax credit
49 created pursuant to section 135.766, and the new generation cooperative tax
50 credit created pursuant to sections 32.105 to 32.125, RSMo;

51 (8) "Environmental tax credits", the charcoal producer tax credit created
52 pursuant to section 135.313, the wood energy tax credit created pursuant to
53 sections 135.300 to 135.311, and the manufacturing and recycling flexible
54 cellulose casing tax credit created pursuant to section 260.285, RSMo;

55 (9) "Housing tax credits", the neighborhood preservation tax credit created
56 pursuant to sections 135.475 to 135.487, the low-income housing tax credit
57 created pursuant to sections 135.350 to 135.363, and the affordable housing tax
58 credit created pursuant to sections 32.105 to 32.125, RSMo;

59 (10) "Recipient", the individual or entity who is the original applicant for
60 and who receives proceeds from a tax credit program directly from the
61 administering agency, the person or entity responsible for the reporting
62 requirements established in section 135.805;

63 (11) "Redevelopment tax credits", the historic preservation tax credit
64 created pursuant to sections 253.545 to 253.561, RSMo, the brownfield
65 redevelopment program tax credit created pursuant to sections 447.700 to
66 447.718, RSMo, the community development corporations tax credit created
67 pursuant to sections 135.400 to 135.430, the infrastructure tax credit created
68 pursuant to subsection 6 of section 100.286, RSMo, the bond guarantee tax credit
69 created pursuant to section 100.297, RSMo, and the disabled access tax credit
70 created pursuant to section 135.490;

71 (12) "Training and educational tax credits", the community college new
72 jobs tax credit created pursuant to sections 178.892 to 178.896, RSMo, the skills
73 development account tax credit created pursuant to sections 620.1400 to
74 620.1460, RSMo, the mature worker tax credit created pursuant to section
75 620.1560, RSMo, and the sponsorship and mentoring tax credit created pursuant
76 to section 135.348.

135.805. 1. A recipient of a community development tax credit shall
2 annually, for a period of three years following issuance of tax credits, provide to
3 the administering agency information confirming the title and location of the
4 corresponding project, the estimated or actual time period for completion of the
5 project, and all geographic areas impacted by the project.

6 2. A recipient of a redevelopment tax credit shall annually, for a period
7 of three years following issuance of tax credits, provide to the administering
8 agency information confirming whether the property is used for residential,
9 commercial, or governmental purposes, and the projected or actual project cost,
10 labor cost, and date of completion.

11 3. A recipient of a business recruitment tax credit shall annually, for a
12 period of three years following issuance of tax credits, provide to the

13 administering agency information confirming the category of business by size, the
14 address of the business headquarters and all offices located within this state, the
15 number of employees at the time of the annual update, an updated estimate of
16 the number of employees projected to increase as a result of the completion of the
17 project, and the estimated or actual project cost.

18 4. A recipient of a training and educational tax credit shall annually, for
19 a period of three years following issuance of tax credits, provide to the
20 administering agency information confirming the name and address of the
21 educational institution used, the average salary of workers served as of such
22 annual update, the estimated or actual project cost, and the number of employees
23 and number of students served as of such annual update.

24 5. A recipient of a housing tax credit shall annually, for a period of three
25 years following issuance of tax credits, provide to the administering agency
26 information confirming the address of the property, the fair market value of the
27 property, as defined in subsection 6 of section 135.802, and the projected or actual
28 labor cost and completion date of the project.

29 6. A recipient of an entrepreneurial tax credit shall annually, for a period
30 of three years following issuance of tax credits, provide to the administering
31 agency information confirming the amount of investment and the names of the
32 project, fund, and research project.

33 7. A recipient of an agricultural tax credit shall annually, for a period of
34 three years following issuance of tax credits, provide to the administering agency
35 information confirming the type of agricultural commodity, the amount of
36 contribution, the type of equipment purchased, and the name and description of
37 the facility, except that if the agricultural credit is issued as a result of a
38 producer member investing in a new generation processing entity **or new**
39 **generation cooperative** then the new generation processing entity **or new**
40 **generation cooperative**, and not the recipient, shall annually, for a period of
41 three years following issuance of tax credits, provide to the administering agency
42 information confirming the type of agricultural commodity, the amount of
43 contribution, the type of equipment purchased, and the name and description of
44 the facility.

45 8. A recipient of an environmental tax credit shall annually, for a period
46 of three years following issuance of tax credits, provide to the administering

47 agency information detailing any change to the type of equipment purchased, if
48 applicable, and any change to any environmental impact statement, if such
49 statement is required by state or federal law.

50 9. The reporting requirements established in this section shall be due
51 annually on June thirtieth of each year. No person or entity shall be required to
52 make an annual report until at least one year after the credit issuance date.

53 10. Where the sole requirement for receiving a tax credit in the enabling
54 legislation of any tax credit is an obligatory assessment upon a taxpayer or a
55 monetary contribution to a particular group or entity, the reporting requirements
56 provided in this section shall apply to the recipient of such assessment or
57 contribution and shall not apply to the assessed nor the contributor.

58 11. Where the enacting statutes of a particular tax credit program or the
59 rules of a particular administering agency require reporting of information that
60 includes the information required in sections 135.802 to 135.810, upon reporting
61 of the required information, the applicant shall be deemed to be in compliance
62 with the requirements of sections 135.802 to 135.810. The administering agency
63 shall notify in writing the department of economic development of the
64 administering agency's status as custodian of any particular tax credit program
65 and that all records pertaining to the program are available at the administering
66 agency's office for review by the department of economic development.

67 12. The provisions of subsections 1 to 10 of this section shall apply
68 beginning on June 30, 2005.

142.028. 1. As used in this section, the following terms mean:

2 (1) "Fuel ethanol", [one hundred ninety-eight proof ethanol denatured in
3 conformity with the United States Bureau of Alcohol, Tobacco and Firearms'
4 regulations and fermented and distilled in a facility whose principal (over fifty
5 percent) feed stock is cereal grain or cereal grain by-products] **a fuel which**
6 **meets ASTM International specification number D 4806 or subsequent**
7 **specifications for blending with gasoline for use as automotive spark-**
8 **ignition engine fuel and where the ethanol is made from cereal grains,**
9 **cereal grain by-products, or qualified biomass;**

10 (2) "Fuel ethanol blends", a mixture of ninety percent gasoline and ten
11 percent fuel ethanol in which the gasoline portion of the blend or the finished
12 blend meets the [American Society for Testing and Materials -] **ASTM**

13 **International** specification number [D-439] **D 4814**;

14 (3) "Missouri qualified fuel ethanol producer", any producer of fuel ethanol
15 whose principal place of business and facility for the fermentation and distillation
16 of fuel ethanol is located within the state of Missouri and is at least fifty-one
17 percent owned by agricultural producers actively engaged in agricultural
18 production for commercial purposes, and which has made formal application,
19 posted a bond, and conformed to the requirements of this section;

20 (4) "**Professional forester**", any individual who holds a bachelor
21 of science degree in forestry from a regionally accredited college or
22 university with a minimum of two years of professional forest
23 management experience;

24 (5) "**Qualified biomass**", any wood-derived organic material
25 harvested in accordance with a site specific forest management plan
26 focused for long-term forest sustainability developed by a professional
27 forester and qualified, in consultation with the conservation
28 commission, by the Missouri agricultural and small business
29 development authority.

30 2. The "Missouri Qualified Fuel Ethanol Producer Incentive Fund" is
31 hereby created and subject to appropriations shall be used to provide economic
32 subsidies to Missouri qualified fuel ethanol producers pursuant to this
33 section. The director of the department of agriculture shall administer the fund
34 pursuant to this section.

35 3. A Missouri qualified fuel ethanol producer shall be eligible for a
36 monthly grant from the fund, except that a Missouri qualified fuel ethanol
37 producer shall only be eligible for the grant for a total of sixty months unless
38 such producer during those sixty months failed, due to a lack of appropriations,
39 to receive the full amount from the fund for which they were eligible, in which
40 case such producers shall continue to be eligible for up to twenty-four additional
41 months or until they have received the maximum amount of funding for which
42 they were eligible during the original sixty-month time period. The amount of the
43 grant is determined by calculating the estimated gallons of qualified fuel ethanol
44 production to be produced from Missouri agricultural products **or qualified**
45 **biomass** for the succeeding calendar month, as certified by the department of
46 agriculture, and applying such figure to the per-gallon incentive credit

47 established in this subsection. Each Missouri qualified fuel ethanol producer
48 shall be eligible for a total grant in any fiscal year equal to twenty cents per
49 gallon for the first twelve and one-half million gallons of qualified fuel ethanol
50 produced from Missouri agricultural products **or qualified biomass** in the fiscal
51 year plus five cents per gallon for the next twelve and one-half million gallons of
52 qualified fuel ethanol produced from Missouri agricultural products **or qualified**
53 **biomass** in the fiscal year. All such qualified fuel ethanol produced by a
54 Missouri qualified fuel ethanol producer in excess of twenty-five million gallons
55 shall not be applied to the computation of a grant pursuant to this
56 subsection. The department of agriculture shall pay all grants for a particular
57 month by the fifteenth day after receipt and approval of the application described
58 in subsection 4 of this section. If actual production of qualified fuel ethanol
59 during a particular month either exceeds or is less than that estimated by a
60 Missouri qualified fuel ethanol producer, the department of agriculture shall
61 adjust the subsequent monthly grant by paying additional amount or subtracting
62 the amount in deficiency by using the calculation described in this subsection.

63 4. In order for a Missouri qualified fuel ethanol producer to obtain a grant
64 from the fund for a particular month, an application for such funds shall be
65 received no later than fifteen days prior to the first day of the month for which
66 the grant is sought. The application shall include:

- 67 (1) The location of the Missouri qualified fuel ethanol producer;
- 68 (2) The average number of citizens of Missouri employed by the Missouri
69 qualified fuel ethanol producer in the preceding quarter, if applicable;
- 70 (3) The number of bushels of Missouri agricultural commodities **or green**
71 **weight tons of qualified biomass** used by the Missouri qualified fuel ethanol
72 producer in the production of fuel ethanol in the preceding quarter;
- 73 (4) The number of gallons of qualified fuel ethanol the producer expects
74 to manufacture during the month for which the grant is applied;
- 75 (5) A copy of the qualified fuel ethanol producer license required pursuant
76 to subsection 5 of this section, name and address of surety company, and amount
77 of bond to be posted pursuant to subsection 5 of this section; and
- 78 (6) Any other information deemed necessary by the department of
79 agriculture to adequately ensure that such grants shall be made only to Missouri
80 qualified fuel ethanol producers.

81 5. The director of the department of agriculture, in consultation with the
82 department of revenue **and the department of conservation**, shall promulgate
83 rules and regulations necessary for the administration of the provisions of this
84 section. The director shall also establish procedures for bonding Missouri
85 qualified fuel ethanol producers. Each Missouri qualified fuel ethanol producer
86 who attempts to obtain moneys pursuant to this section shall be bonded in an
87 amount not to exceed the estimated maximum monthly grant to be issued to such
88 Missouri qualified fuel ethanol producer.

89 6. Any rule or portion of a rule, as that term is defined in section 536.010,
90 RSMo, that is created under the authority delegated in this section shall become
91 effective only if it complies with and is subject to all of the provisions of chapter
92 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter
93 536, RSMo, are nonseverable and if any of the powers vested with the general
94 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date
95 or to disapprove and annul a rule are subsequently held unconstitutional, then
96 the grant of rulemaking authority and any rule proposed or adopted after August
97 28, 2002, shall be invalid and void.

98 **7. Notwithstanding any other provision of this section to the**
99 **contrary, beginning January 1, 2009, through December 31, 2019, the**
100 **economic subsidies provided under this section to Missouri qualified**
101 **fuel ethanol producers of fuel ethanol made from qualified biomass**
102 **shall only be provided to two qualified fuel ethanol producers and shall**
103 **not cumulatively exceed seven and one-half million dollars per**
104 **qualified fuel ethanol producer. Prior to January 1, 2009, and after**
105 **December 31, 2019, Missouri qualified fuel ethanol producers of fuel**
106 **ethanol made from qualified biomass shall be ineligible for economic**
107 **subsidies under this section.**

 144.053. 1. As used in this section, "machinery and equipment"
2 means new or used farm tractors and such other new or used
3 machinery and equipment and repair or replacement parts thereon,
4 and supplies and lubricants used exclusively, solely, and directly for
5 the planting, harvesting, processing, or transporting of a forestry
6 product.

7 2. Notwithstanding any other provision of law to the contrary,

8 **for purposes of department of revenue administrative interpretation,**
9 **all machinery and equipment used solely for the planting, harvesting,**
10 **processing, or transporting of a forestry product shall be considered**
11 **farm machinery, and shall be exempt from state and local sales and use**
12 **tax, as provided for other farm machinery in section 144.030. For**
13 **purposes of the exemption in section 144.063, the planting, harvesting,**
14 **processing, or transporting of a forestry product is deemed an**
15 **agricultural purpose.**

144.063. In addition to the exemptions granted under this
2 **chapter, there shall also be specifically exempted from state and local**
3 **sales and use taxes defined, levied, or calculated under section 32.085,**
4 **RSMo, sections 144.010 to 144.525, sections 144.600 to 144.761, or section**
5 **238.235, RSMo, all sales of fencing materials used for agricultural**
6 **purposes, and the purchase of motor fuel, as defined in section 142.800,**
7 **RSMo, therefor which is used for agricultural purposes.**

260.546. 1. In the event that a hazardous substance release occurs for
2 which a political subdivision or volunteer fire protection association as defined
3 in section 320.300, RSMo, provides emergency services, the person having control
4 over a hazardous substance shall be liable for such reasonable [cleanup] **and**
5 **necessary** costs incurred by the political subdivision or volunteer fire protection
6 association **while securing an emergency situation or cleaning up any**
7 **hazardous substances.** Such liability includes the cost of materials[,] **and**
8 supplies [and contractual services] actually used to secure [an] **the** emergency
9 situation. The liability may also include the cost for contractual services which
10 are not routinely provided by the department or political subdivision or volunteer
11 fire protection association. Such liability shall not include the cost of normal
12 services which otherwise would have been provided. Such liability shall not
13 include budgeted administrative costs or the costs for duplicate services if
14 multiple response teams are requested by the department or political subdivision
15 unless, in the opinion of the department or political subdivision, duplication of
16 service was required to protect the public health and environment. [Such liability
17 shall be established upon receipt by] **No later than sixty days after the**
18 **completion of the cleanup of the release of a hazardous substance, the**
19 **political subdivision or volunteer fire protection association shall**

20 **submit to** the person having control of the spilled hazardous substance [of] an
21 itemized statement of costs provided by the political subdivision. **The statement**
22 **of costs shall include but not be limited to an explanation of why the**
23 **costs were reasonable and necessary. The explanation shall describe**
24 **how such costs were not duplicative, did not include costs for normal**
25 **services that would otherwise have been provided, and why contractual**
26 **services, if any, were utilized in the response to the emergency**
27 **situation. Response and clean-up costs are eligible for reimbursement**
28 **if the initial response and assessment to a release of a hazardous**
29 **substance was based on best practices and in a manner that any**
30 **prudent political subdivision or volunteer fire protection association**
31 **would respond to a release of a hazardous substance. Such response**
32 **and clean-up costs may also include the costs of contractual services**
33 **which are not routinely provided by the department or political**
34 **subdivision or volunteer fire protection association. Such costs shall**
35 **not include the costs of normal services which otherwise would have**
36 **been provided.**

37 2. Full payment shall be made within thirty days of receipt of the cost
38 statement unless the person having control over the hazardous substance contests
39 the amount of the costs pursuant to this section. If the person having control
40 over the hazardous substance elects to contest the payment of such costs, [he]
41 **such person** shall file an appeal with the director within thirty days of receipt
42 of the cost statement.

43 3. Upon receipt of such an appeal, the director shall notify the parties
44 involved of the appeal and collect such evidence from the parties involved as [he]
45 **the director** deems necessary to make a determination of reasonable cleanup
46 costs. **The burden of proof shall be on the political subdivision or**
47 **volunteer fire protection district to document and justify such costs**
48 **allowed under subsection 1 of this section.** Within [thirty] sixty days of
49 notification of the appeal, the director shall notify the parties of his **or her**
50 decision. The director shall direct the person having control over a hazardous
51 substance to pay those costs [he] **the director** finds to be reasonable and
52 appropriate. The determination of the director shall become final thirty days
53 after receipt of the notice by the parties involved unless prior to such date one of

54 the involved parties files a petition for judicial review pursuant to chapter 536,
55 RSMo.

56 4. The political subdivision or volunteer fire protection association may
57 apply to the department for reimbursement from the hazardous waste fund
58 created in section 260.391 for the costs for which the person having control over
59 a hazardous substance shall be liable if the political subdivision or volunteer fire
60 protection association is able to demonstrate a need for immediate relief for such
61 costs and believes it will not receive prompt payment from the person having
62 control over a hazardous substance. When the liability owed to the political
63 subdivision or volunteer fire protection association by the person having control
64 over a hazardous substance is paid, the political subdivision or volunteer fire
65 protection association shall reimburse the department for any payment it has
66 received from the hazardous waste fund. Such reimbursement to a political
67 subdivision or volunteer fire protection association by the department shall be
68 paid back to the department by the political subdivision or volunteer fire
69 protection association within that time limit imposed by the department
70 notwithstanding failure of the person having control over a hazardous substance
71 to reimburse the political subdivision or volunteer fire protection association
72 within that time.

261.035. 1. There is hereby created in the state treasury for the use of
2 the [marketing] **agriculture business development** division of the state
3 department of agriculture a fund to be known as "The [Marketing] **Agriculture**
4 **Business Development Fund**". All moneys received by the state department of
5 agriculture for marketing development from any source within the state shall be
6 deposited in the fund.

7 2. Moneys deposited in the fund shall, upon appropriation by the general
8 assembly to the state department of agriculture, be expended by the state
9 department of agriculture [for purposes of agricultural marketing development]
10 and for no other purposes.

11 3. The unexpended balance in the [marketing] **agriculture business**
12 development fund at the end of the biennium shall not be transferred to the
13 ordinary revenue fund of the state treasury and accordingly shall be exempt from
14 the provisions of section 33.080, RSMo, relating to transfer of funds to the
15 ordinary revenue funds of the state by the state treasurer.

261.230. The director of the department of agriculture shall, for the use
2 of the [marketing] **agriculture business development** division of the
3 department of agriculture, develop and implement rules and regulations by
4 product category for all Missouri agricultural products included in the
5 AgriMissouri marketing program.

261.235. 1. There is hereby created in the state treasury for the use of
2 the [marketing] **agriculture business development** division of the state
3 department of agriculture a fund to be known as "The [Missouri Agricultural
4 Products Marketing Development] **AgriMissouri** Fund". All moneys received by
5 the state department of agriculture for Missouri agricultural products marketing
6 development from any source, including trademark fees, shall be deposited in the
7 fund. Moneys deposited in the fund shall, upon appropriation by the general
8 assembly to the state department of agriculture, be expended by the [marketing]
9 **agriculture business development** division of the state department of
10 agriculture for promotion of Missouri agricultural products under the
11 AgriMissouri program. The unexpended balance in the [Missouri agricultural
12 products marketing development] **AgriMissouri** fund at the end of the biennium
13 shall not be transferred to the general revenue fund of the state treasury and
14 accordingly shall be exempt from the provisions of section 33.080, RSMo, relating
15 to transfer of funds to the ordinary revenue funds of the state by the state
16 treasurer.

17 2. There is hereby created within the department of agriculture the
18 "[Citizens'] **AgriMissouri** Advisory Commission for Marketing Missouri
19 Agricultural Products". The commission shall establish guidelines, and make
20 recommendations to the director of agriculture, for the use of funds appropriated
21 by the general assembly for the [marketing] **agriculture business**
22 **development** division of the department of agriculture, and for all funds
23 collected or appropriated to the [Missouri agricultural products marketing
24 development] **AgriMissouri** fund created pursuant to subsection 1 of this
25 section. The guidelines shall focus on the promotion of the AgriMissouri
26 trademark associated with Missouri agricultural products that have been
27 approved by the general assembly, and shall advance the following objectives:

28 (1) Increasing the impact and fostering the effectiveness of local efforts
29 to promote Missouri agricultural products;

30 (2) Enabling and encouraging expanded advertising efforts for Missouri
31 agricultural products;

32 (3) Encouraging effective, high-quality advertising projects, innovative
33 marketing strategies, and the coordination of local, regional and statewide
34 marketing efforts;

35 (4) Providing training and technical assistance to cooperative-marketing
36 partners of Missouri agricultural products.

37 3. The commission may establish a fee structure for sellers electing to use
38 the AgriMissouri trademark associated with Missouri agricultural
39 products. Under the fee structure:

40 (1) A seller having gross annual sales greater than two million dollars per
41 fiscal year of Missouri agricultural products which constitute the final product of
42 a series of processes or activities shall remit to the **[marketing] agriculture**
43 **business development** division of the department of agriculture, at such times
44 and in such manner as may be prescribed, a trademark fee of one-half of one
45 percent of the aggregate amount of all of such seller's wholesale sales of products
46 carrying the AgriMissouri trademark; and

47 (2) All sellers having gross annual sales less than or equal to two million
48 dollars per fiscal year of Missouri agricultural products which constitute the final
49 product of a series of processes or activities shall, after three years of selling
50 Missouri agricultural products carrying the AgriMissouri trademark, remit to the
51 **[marketing] agriculture business development** division of the department of
52 agriculture, at such times and in such manner as may be prescribed, a trademark
53 fee of one-half of one percent of the aggregate amount of all of such seller's
54 wholesale sales of products carrying the AgriMissouri trademark.

55 All trademark fees shall be deposited to the credit of the **[Missouri agricultural**
56 **products marketing development] AgriMissouri** fund, created pursuant to this
57 section.

58 4. The **[marketing] agriculture business development** division of the
59 department of agriculture is authorized to promulgate rules consistent with the
60 guidelines and fee structure established by the commission. No rule or portion
61 of a rule shall become effective unless it has been promulgated pursuant to the
62 provisions of chapter 536, RSMo.

63 5. The commission shall consist of nine members appointed by the

64 governor with the advice and consent of the senate. One member shall be the
65 director of the [market] **agriculture business** development division of the
66 department of agriculture, or his or her representative. At least one member
67 shall be a specialist in advertising; at least one member shall be a specialist in
68 agribusiness; at least one member shall be a specialist in the retail grocery
69 business; at least one member shall be a specialist in communications; at least
70 one member shall be a specialist in product distribution; at least one member
71 shall be a family farmer with expertise in livestock farming; at least one member
72 shall be a family farmer with expertise in grain farming and at least one member
73 shall be a family farmer with expertise in organic farming. Members shall serve
74 for four-year terms, except in the first appointments three members shall be
75 appointed for terms of four years, three members shall be appointed for terms of
76 three years and three members shall be appointed for terms of two years
77 each. Any member appointed to fill a vacancy of an unexpired term shall be
78 appointed for the remainder of the term of the member causing the vacancy. The
79 governor shall appoint a chairperson of the commission, subject to ratification by
80 the commission.

81 6. Commission members shall receive no compensation but shall be
82 reimbursed for actual and necessary expenses incurred in the performance of
83 their official duties on the commission. The division of [market] **agriculture**
84 **business** development of the department of agriculture shall provide all
85 necessary staff and support services as required by the commission to hold
86 commission meetings, to maintain records of official acts and to conduct all other
87 business of the commission. The commission shall meet quarterly and at any
88 such time that it deems necessary. Meetings may be called by the chairperson
89 or by a petition signed by a majority of the members of the commission. Ten
90 days' notice shall be given in writing to such members prior to the meeting date.
91 A simple majority of the members of the commission shall be present to constitute
92 a quorum. Proxy voting shall not be permitted.

 261.239. The [marketing] **agriculture business development** division
2 of the department of agriculture shall create an Internet web site for the purpose
3 of fostering the marketing of Missouri agricultural products over the Internet.

 263.232. It shall be the duty of any person or persons, association of
2 persons, corporations, partnerships, the state highways and transportation

3 commission, any state department, any state agency, the county commissions, the
4 township boards, school boards, drainage boards, the governing bodies of
5 incorporated cities, railroad companies and other transportation companies or
6 their authorized agents and those supervising state-owned lands:

7 (1) To control and eradicate the spread of cut-leaved teasel (*Dipsacus*
8 *laciniatus*) and common teasel (*Dipsacus fullonum*), which are hereby designated
9 as noxious and dangerous weeds to agriculture, by methods [approved by the
10 Environmental Protection Agency and] in compliance with the manufacturer's
11 label instructions **when chemical herbicides are used for such purposes;**
12 [and]

13 (2) To control the spread of kudzu vine (*Pueraria lobata*), which is hereby
14 designated as a noxious and dangerous weed to agriculture, by methods
15 [approved by the Environmental Protection Agency and] in compliance and
16 conformity with the manufacturer's label instructions **when chemical**
17 **herbicides are used for such purposes; and**

18 (3) **To control the spread of spotted knapweed (*Centaurea stoebe***
19 **ssp. micranthos, including all subspecies), which is hereby designated**
20 **as a noxious and dangerous weed to agriculture, by methods in**
21 **compliance and conformity with the manufacturer's label instructions**
22 **when chemical herbicides are used for such purposes.**

265.200. The executive board of the Missouri state horticultural society
2 shall have the power and duty:

3 (1) To authorize the director to expend, within the appropriations
4 provided therefor, a designated amount of the moneys in the apple merchandising
5 fund in the enforcement of sections 265.130 and 265.140, referring to the labeling
6 of apples.

7 (2) To authorize the director to expend, within the appropriations
8 provided therefor, a reasonable amount of the moneys in the apple merchandising
9 fund in the administration of sections 265.150 to 265.180, referring to the
10 collection of levies imposed by this chapter.

11 (3) To authorize the director to apportion, within the appropriations
12 provided therefor, a reasonable amount of the moneys in the apple merchandising
13 fund to the [marketing] **agriculture business** development fund.

14 (4) To plan and to authorize the director to conduct a campaign of

15 education, advertising, publicity and sales promotion to increase the consumption
16 of Missouri apples and the director may contract for any advertising, publicity
17 and sales promotion service. To accomplish such purpose the director shall have
18 power and it shall be the duty of the director, within the appropriations provided
19 therefor, to disseminate information:

20 (a) Relating to apples and the importance thereof in preserving the public
21 health, the economy thereof in the diet of the people, and the importance thereof
22 in the nutrition of children;

23 (b) Relating to the problem of furnishing the consumer at all times with
24 a supply of good quality apples at reasonable prices;

25 (c) Relating to such other, further and additional information as shall
26 tend to promote increased consumption of Missouri apples, and as may foster a
27 better understanding and more efficient cooperation between producers, dealers
28 and the consuming public.

29 (5) To cooperate with other state, regional and national agricultural
30 organizations and may at its discretion authorize the director to expend within
31 the appropriations provided therefor moneys of the apple merchandising fund for
32 such purposes.

**267.168. 1. The state of Missouri may support a voluntary animal
2 identification program. The department of agriculture shall not
3 mandate or otherwise force national animal identification system
4 (NAIS) premises registration without specific statutory authorization
5 from the Missouri general assembly.**

**6 2. Any person who participates in the national animal
7 identification system may withdraw from the system at any time. All
8 personal information relating to a participant shall be deleted from the
9 system when the participant withdraws, unless the participant is part
10 of an ongoing disease investigation or disease monitoring or control
11 program.**

**12 3. If the provisions of this section interfere with the marketing
13 of Missouri livestock, the governor by executive order may waive the
14 provisions of this section in whole or in part until the completion of the
15 next regular session of the Missouri general assembly or any special
16 session called by the governor at which time the executive order shall**

17 **expire.**

208.070. As used in sections 278.060 to 278.300, the following words and
2 terms mean:

3 (1) "Board of soil and water district supervisors" or "soil and water
4 supervisors", the local governing body of a soil and water district, elected or
5 appointed in accordance with the provisions of this law;

6 (2) "Landowner", any person, firm or corporation who holds title to any
7 lands lying within a district organized or to be organized under the provisions of
8 this chapter. Any landowner may be represented by notarized proxy not more
9 than one year old;

10 (3) "Land representative", the owner or representative authorized by
11 power of attorney of any farm lying within any area proposed to be established,
12 and subsequently established, as a soil and water district under the provisions
13 of this law, and for the purposes of this law each such farm shall be entitled to
14 representation by a land representative; provided, however, that any land
15 representative must be a taxpayer of the county within which the soil and water
16 district is located;

17 (4) "Soil and water conservation cost-share program", a state-funded
18 incentive program designed for the purpose of saving the soil of the state through
19 erosion control and abatement;

20 (5) "Soil and water conservation district" or "soil and water district", a
21 county or one or more of its townships wherein a project for saving the soil and
22 water has been established with the authority and duty and subject to the
23 restrictions herein set forth; and in establishing a soil and water district, if the
24 proposed area is less than the area of the county which contains it, but greater
25 than the area of one township, the additional township or townships to be
26 included in such soil and water district need not be contiguous with the first
27 township or with one another, but there shall be only one soil and water district
28 within the boundaries of the same county; and any farm intersected by a soil and
29 water district boundary shall be considered as lying within that district for
30 purposes of soil and water conservation by that district, except that the soil and
31 water conservation of a farm which lies partly within one soil and water district
32 and partly within another shall be considered the duty of the soil and water
33 district in which the home buildings of such farm are located;

34 (6) "State soil and water districts commission" or "soil and water
35 commission", the agency created by section 278.080 for the administration of the
36 soil and water conservation districts provided for by this law;

37 (7) **"Subdistrict", "watershed", or "watershed district", as used in**
38 **sections 278.160 to 278.300, a watershed district, with the exception of**
39 **section 278.160, whereby subdistrict is specifically used to describe the**
40 **relationship to an established soil and water conservation district or**
41 **districts that may be established as a watershed district;**

42 (8) "Township", municipal township and not congressional or survey
43 township.

281.260. 1. Every pesticide which is distributed, sold, offered for sale or
2 held for sale within this state, or which is delivered for transportation or
3 transported in intrastate commerce or between points within this state through
4 any point outside of this state, shall be registered in the office of the director, and
5 the registration shall be renewed annually.

6 2. The registrant shall file with the director a statement including:

7 (1) The name and address of the registrant and the name and address of
8 the person whose name will appear on the label, if other than the registrant;

9 (2) The name of the pesticide;

10 (3) Classification of the pesticide; and

11 (4) A complete copy of the labeling accompanying the pesticide and a
12 statement of all claims to be made for it, including directions for use.

13 3. The registrant shall pay an annual fee of fifteen dollars for each
14 product registered in any calendar year or part thereof. The fee shall be
15 deposited in the state treasury to the credit of the general revenue fund. All such
16 registrations shall expire on December thirty-first of any one year, unless sooner
17 canceled. A registration for a special local need pursuant to subsection 6 of this
18 section, which is disapproved by the federal government, shall expire on the
19 effective date of the disapproval.

20 4. Any registration approved by the director and in effect on the
21 thirty-first day of December for which a renewal application has been made and
22 the proper fee paid shall continue in full force and effect until such time as the
23 director notifies the applicant that the registration has been renewed, or
24 otherwise denied, in accord with the provisions of subsection 8 of this

25 section. Forms for reregistration shall be mailed to registrants at least ninety
26 days prior to the expiration date.

27 5. If the renewal of a pesticide registration is not filed prior to January
28 first of any one year, an additional fee of five dollars shall be assessed and added
29 to the original fee and shall be paid by the applicant before the registration
30 renewal for that pesticide shall be issued; provided, that, such additional fee shall
31 not apply if the applicant furnishes an affidavit certifying that he did not
32 distribute such unregistered pesticide during the period of nonregistration. The
33 payment of such additional fee is not a bar to any prosecution for doing business
34 without proper registry.

35 6. Provided the state complies with requirements of the federal
36 government to register pesticides to meet special local needs, the director shall
37 require that registrants comply with sections 281.210 to 281.310 and pertinent
38 federal laws and regulations. Where two or more pesticides meet the
39 requirements of this subsection, one shall not be registered in preference to the
40 other.

41 7. The director may require the submission of the complete formula of any
42 pesticide to approve or deny product registration. If it appears to the director
43 that the composition and efficacy of the pesticide is such as to warrant the
44 proposed claims for it and if the pesticide and its labeling and other material
45 required to be submitted comply with the requirements of sections 281.210 to
46 281.310, he shall register the pesticide.

47 8. Provided the state is authorized to issue experimental use permits, the
48 director may:

49 (1) Issue an experimental use permit to any person applying for an
50 experimental use permit if he determines that the applicant needs such permit
51 in order to accumulate information necessary to register a pesticide under
52 sections 263.269 to 263.380. An application for an experimental use permit may
53 be filed at the time of or before or after an application for registration is filed;

54 (2) Prescribe terms, conditions, and period of time for the experimental
55 permit which shall be under the supervision of the director;

56 (3) Revoke any experimental permit, at any time, if he finds that its terms
57 or conditions are being violated, or that its terms and conditions are inadequate
58 to avoid unreasonable adverse effects on the environment.

59 9. If it does not appear to the director that the pesticide is such as to
60 warrant the proposed claims for it or if the pesticide and its labeling and other
61 material required to be submitted do not comply with the provisions of sections
62 281.210 to 281.310 or with federal laws, he shall notify the registrant of the
63 manner in which the pesticide, labeling, or other material required to be
64 submitted fail to comply with sections 281.210 to 281.310 or with federal laws so
65 as to afford the registrant an opportunity to make the necessary corrections. If,
66 upon receipt of such notice, the registrant insists that such corrections are not
67 necessary and requests in writing that the pesticide be registered or, in the case
68 of a pesticide that is already registered, that it not be canceled, the director,
69 within ninety days, shall hold a public hearing to determine if the pesticide in
70 question should be registered or canceled. If, after such hearing, it is determined
71 that the pesticide should not be registered or that its registration should be
72 canceled, the director may refuse registration or cancel an existing registration
73 until the required label changes are accomplished. If the pesticide is shown to
74 be in compliance with sections 281.210 to 281.310 and federal laws, the pesticide
75 will be registered. Any appeals resulting from administrative decisions by the
76 director will be taken in accordance with sections 536.100 to 536.140, RSMo.

77 10. Notwithstanding any other provision of sections 281.210 to 281.310,
78 registration is not required in the case of a pesticide shipped from one plant or
79 warehouse within this state to another plant or warehouse within this state when
80 such plants are operated by the same persons.

81 11. The director shall not make any lack of essentiality a criterion for
82 denying registration of a pesticide except where none of the labeled uses are
83 present in the state. Where two or more pesticides meet the requirements of
84 sections 281.210 to 281.310, one shall not be registered in preference to the other.

85 **12. Notwithstanding any other provision of law to the contrary,**
86 **the director may allow a reasonable period of time for the retailer to**
87 **dispose of existing stocks of pesticides after the manufacturer or**
88 **distributor has ceased to register the product with the state. The**
89 **method of disposal shall be determined by the director.**

 340.337. As used in sections 340.335 to 340.405, the following terms shall
2 mean:

3 (1) "Areas of defined need", areas designated by the department pursuant

4 to section 340.339, when services of a large animal veterinarian are needed to
5 improve the veterinarian-patient ratio in the area, or to contribute professional
6 veterinary services to an area of economic impact;

7 (2) "College", the college of veterinary medicine at the University of
8 Missouri-Columbia;

9 (3) "Department", the Missouri department of agriculture;

10 (4) "Director", director of the Missouri department of agriculture;

11 (5) "Eligible student", a resident who has been accepted as, **or is**, a
12 full-time student at the University of Missouri-Columbia enrolled in the doctor
13 of veterinary medicine degree program at the college of veterinary medicine;

14 (6) "**Large animal**", **an animal which is raised, bred, or maintained**
15 **for its parts or products having a commercial value including, but not**
16 **limited to, its muscle tissue, organs, fat, blood, manure, bones, milk,**
17 **wool, hide, pelt, feathers, eggs, semen, or embryos;**

18 (7) "Large animal veterinarian", veterinarians licensed pursuant to this
19 chapter, engaged in general or large animal practice as their primary focus of
20 practice, and who have a substantial portion of their practice devoted to large
21 animal veterinary medicine;

22 [(7)] (8) "Qualified applicant", an eligible student approved by the
23 department for participation in the large animal veterinary student loan program
24 established by sections [340.375 to 340.405] **340.381 to 340.396;**

25 [(8)] (9) "Qualified employment", employment as a large animal
26 veterinarian and where a substantial portion of business involves the treatment
27 of large animals on a full-time basis in Missouri located in an area of need as
28 determined by the department of agriculture. Qualified employment shall not
29 include employment with a large-scale agribusiness enterprise, corporation, or
30 entity. Any forgiveness of such principal and interest for any qualified applicant
31 engaged in qualified employment on a less than full-time basis may be prorated
32 to reflect the amounts provided in this section;

33 [(9)] (10) "Resident", any person who has lived in this state for one or
34 more years for any purpose other than the attending of an educational institution
35 located within this state.

340.341. 1. The department shall adopt and promulgate rules
2 establishing standards for determining eligible [persons] **students** for loan

3 repayment pursuant to sections 340.335 to 340.350. Such standards shall
4 include, but are not limited to the following:

- 5 (1) Citizenship or **lawful** permanent residency in the United States;
- 6 (2) Residence in the state of Missouri;
- 7 (3) Enrollment as a full-time veterinary medical student in the final year
8 of a course of study offered by an approved educational institution in Missouri;
- 9 (4) Application for loan repayment.

10 2. The department shall not grant repayment for more than six
11 veterinarians each year.

340.375. 1. The department of agriculture shall implement and
2 administer the large animal veterinary [student loan] **medicine loan**
3 **repayment** program established under sections [340.375 to 340.405] **340.335**
4 **to 340.350**, and the large animal veterinary [medicine loan repayment] **student**
5 **loan** program established under sections [340.335 to 340.350] **340.381 to**
6 **340.396**.

7 2. An advisory panel of not more than five members shall be appointed by
8 the director. The panel shall consist of three licensed large animal veterinarians,
9 the dean of the college or his or her designee, and one public member from the
10 agricultural sector. The panel shall make recommendations to the director on the
11 content of any rules, regulations or guidelines under sections 340.335 to
12 [340.405] **340.396** prior to their promulgation. The panel may make
13 recommendations to the director regarding fund allocations for loans and loan
14 repayment based on current veterinarian shortage needs.

15 3. The department of agriculture shall promulgate reasonable rules and
16 regulations for the administration of sections [340.375 to 340.405] **340.381 to**
17 **340.396**, including but not limited to rules for disbursements and repayment of
18 loans. It shall prescribe the form, the time and method of filing applications and
19 supervise the proceedings thereof. Any rule or portion of a rule, as that term is
20 defined in section 536.010, RSMo, that is created under the authority delegated
21 in this section shall become effective only if it complies with and is subject to all
22 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
23 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the
24 powers vested with the general assembly pursuant to chapter 536, RSMo, to
25 review, to delay the effective date, or to disapprove and annul a rule are

26 subsequently held unconstitutional, then the grant of rulemaking authority and
27 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

340.381. 1. **Sections 340.381 to 340.396 establish a student loan
2 forgiveness program for approved veterinary students who practice in
3 areas of defined need. Such program shall be known as the "Large
4 Animal Veterinary Student Loan Program".**

5 2. There is hereby created in the state treasury the "Veterinary Student
6 Loan Payment Fund", which shall consist of general revenue appropriated to the
7 large animal veterinary student loan program, voluntary contributions to support
8 or match program activities, money collected under section 340.396, and funds
9 received from the federal government. The state treasurer shall be custodian of
10 the fund and shall approve disbursements from the fund in accordance with
11 sections 30.170 and 30.180, RSMo. Upon appropriation, money in the fund shall
12 be used solely for the administration of sections [340.375 to 340.405] **340.381 to
13 340.396**. Notwithstanding the provisions of section 33.080, RSMo, to the
14 contrary, any moneys remaining in the fund at the end of the biennium shall not
15 revert to the credit of the general revenue fund. The state treasurer shall invest
16 moneys in the fund in the same manner as other funds are invested. Any interest
17 and moneys earned on such investments shall be credited to the fund.

340.384. [The department of agriculture shall enter into a contract with
2 each qualified applicant receiving financial assistance under the provisions of
3 sections 340.375 to 340.405 for repayment of the principal and
4 interest] 1. **Eligible students may apply to the department for financial
5 assistance under the provisions of sections 340.381 to 340.396. If, at the
6 time of application for a loan, a student has formally applied for
7 acceptance at the college, receipt of financial assistance is contingent
8 upon acceptance and continued enrollment at the college. A qualified
9 applicant may receive financial assistance up to twenty thousand
10 dollars for each academic year he or she remains a student in good
11 standing at the college, provided that the cumulative total shall not
12 exceed eighty thousand dollars per qualified applicant. An eligible
13 student may apply for financial assistance under this section at any
14 point in his or her educational career at the college, however any such
15 financial assistance shall only be awarded for current or future**

16 **academic years, as applicable, and shall not be awarded for any**
17 **academic year completed prior to the time of application.**

18 **2. Up to six qualified applicants per academic year may be**
19 **awarded loans under the provisions of sections 340.381 to**
20 **340.396. Priority for loans shall be given to eligible students who have**
21 **established financial need. All financial assistance shall be made from**
22 **funds credited to the veterinary student loan payment fund.**

340.387. [Eligible students may apply to the department for financial
2 assistance under the provisions of sections 340.375 to 340.405. If, at the time of
3 application for a loan, a student has formally applied for acceptance at the
4 college, receipt of financial assistance is contingent upon acceptance and
5 continued enrollment at the college. A qualified applicant may receive financial
6 assistance for each academic year he or she remains a student in good standing
7 at the college] 1. **The department of agriculture may enter into a**
8 **contract with each qualified applicant receiving financial assistance**
9 **under the provisions of sections 340.381 to 340.396. Such contract shall**
10 **specify terms and conditions of loan forgiveness through qualified**
11 **employment as well as terms and conditions for repayment of the**
12 **principal and interest.**

13 **2. The department shall establish schedules for repayment of the**
14 **principal and interest on any financial assistance made under the**
15 **provisions of sections 340.381 to 340.396. Interest at a rate set by the**
16 **department, with the advice of the advisory panel created in section**
17 **340.341, shall be charged from the time of the payment of financial**
18 **assistance on all financial assistance made under the provisions of**
19 **sections 340.381 to 340.396, but the interest and principal of the total**
20 **financial assistance granted to a qualified applicant at the time of the**
21 **successful completion of a doctor of veterinary medicine degree**
22 **program shall be forgiven through qualified employment.**

23 **3. For each year of qualified employment that an individual**
24 **contracts to serve in an area of defined need, the department shall**
25 **forgive up to twenty thousand dollars and accrued interest thereon on**
26 **behalf of the individual for financial assistance provided under**
27 **sections 340.381 to 340.396.**

340.390. [Up to six qualified applicants per academic year may be
2 awarded loans of up to eighty thousand dollars per applicant under the provisions
3 of sections 340.375 to 340.405. Priority for loans shall be given to eligible
4 students who have established financial need. All financial assistance shall be
5 made from funds credited to the veterinary student loan payment fund] **1. A
6 recipient of financial assistance under sections 340.381 to 340.396 who
7 does not meet the qualified employment obligations agreed upon by
8 contract under section 340.387, shall begin repayment of the loan
9 principal and interest in accordance with the contract within six
10 months of the first day on which the recipient did not meet the
11 qualified employment obligations. If a qualified applicant ceases his or
12 her study prior to successful completion of a degree or graduation from
13 the college, interest at the rate specified in section 340.387 shall be
14 charged on the amount of financial assistance received from the state
15 under the provisions of sections 340.381 to 340.396, and repayment, in
16 accordance with the contract, shall begin within ninety days of the date
17 the financial aid recipient ceased to be an eligible student. All funds
18 repaid by recipients of financial assistance to the department shall be
19 deposited in the veterinary student loan payment fund for use pursuant
20 to sections 340.381 to 340.396.**

**21 2. The department shall grant a deferral of interest and principal
22 payments to a recipient of financial assistance under sections 340.381
23 to 340.396 who is pursuing a post degree training program, is on active
24 duty in any branch of the armed forces of the United States, or upon
25 special conditions established by the department. The deferral shall
26 not exceed four years. The status of each deferral shall be reviewed
27 annually by the department to ensure compliance with the intent of
28 this section.**

340.393. [The department shall establish schedules for repayment of the
2 principal and interest on any financial assistance made under the provisions of
3 sections 340.375 to 340.405. Interest at the rate of nine and one-half percent per
4 annum shall be charged on all financial assistance made under the provisions of
5 sections 340.375 to 340.405, but the interest and principal of the total financial
6 assistance granted to a qualified applicant at the time of the successful

7 completion of a doctor of veterinary medicine degree program shall be forgiven
8 through qualified employment] **When necessary to protect the interest of**
9 **the state in any financial assistance transaction under sections 340.381**
10 **to 340.396, the department may institute any action to recover any**
11 **amount due.**

340.396. [The financial assistance recipient shall repay the financial
2 assistance principal and interest beginning not more than one year after
3 completion of the degree for which the financial assistance was made in
4 accordance with the repayment contract. If an eligible student ceases his or her
5 study prior to successful completion of a degree or graduation from the college,
6 interest at the rate specified in section 340.393 shall be charged on the amount
7 of financial assistance received from the state under the provisions of sections
8 340.375 to 340.405, and repayment, in accordance with the repayment contract,
9 shall begin within ninety days of the date the financial aid recipient ceased to be
10 an eligible student. All funds repaid by recipients of financial assistance to the
11 department shall be deposited in the veterinary student loan payment fund for
12 use pursuant to sections 340.375 to 340.405] **1. Sections 340.381 to 340.396**
13 **shall not be construed to require the department to enter into contracts**
14 **with individuals who qualify for education loans or loan repayment**
15 **programs when federal, state, and local funds are not available for such**
16 **purposes.**

17 **2. Sections 340.381 to 340.396 shall not be subject to the**
18 **provisions of sections 23.250 to 23.298, RSMo.**

19 **3. Sections 340.381 to 340.396 shall expire on June 30, 2013.**

348.230. **1. The Missouri agricultural and small business**
2 **development authority, subject to appropriation, shall pay for the first**
3 **full year of charged interest on any applicable Missouri linked deposit**
4 **program loan, as provided in sections 30.750 to 30.850, RSMo. For the**
5 **purpose of this section, the term "applicable loan" shall mean any loan**
6 **made and used solely for the acquisition of dairy cows and other**
7 **replacement dairy females.**

8 **2. The Missouri agricultural and small business development**
9 **authority may charge a fee for the service in subsection 1 of this**
10 **section, not to exceed fifty dollars per individual. Revenue generated**

11 from the fee shall be used to defray administrative costs.

348.235. 1. The Missouri agricultural and small business
2 development authority, subject to appropriation not to exceed fifty
3 thousand dollars, shall develop and implement dairy business planning
4 grants as provided in this section.

5 2. The Missouri agricultural and small business development
6 authority may charge an application fee for the grants developed under
7 this section, not to exceed fifty dollars per application. Revenue
8 generated from the application fee shall be used to defray the cost of
9 administering the grants.

10 3. Eligible applicants shall be existing or start-up dairy
11 operations wholly located in the state of Missouri that are at least fifty-
12 one percent owned by residents of this state.

13 4. A single grant shall not exceed five thousand dollars or
14 finance more than ninety percent of the cost of the business plan,
15 whichever is less.

16 5. Proceeds from a grant shall only be used to contract with a
17 dairy business planning professional that is approved by the Missouri
18 agricultural and small business development authority.

19 6. The Missouri agricultural and small business development
20 authority may promulgate rules establishing eligibility and award
21 criteria under this section including, but not limited to, the following:

22 (1) The potential to improve the profitability, modernization, and
23 expansion of the dairy operation;

24 (2) The education, experience, and past relevant experience of
25 the dairy business planning professional;

26 (3) The qualifications, education, and experience of the dairy
27 owner or owners and management team;

28 (4) The potential for timely near-term application of the results
29 of the study;

30 (5) The potential economic benefit to the state of Missouri;

31 (6) Such other factors as the Missouri agricultural and small
32 business development authority may establish.

33 7. Any rule or portion of a rule, as that term is defined in section

34 **536.010, RSMo, that is created under the authority delegated in this**
35 **section shall become effective only if it complies with and is subject to**
36 **all of the provisions of chapter 536, RSMo, and, if applicable, section**
37 **536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**
38 **and if any of the powers vested with the general assembly pursuant to**
39 **chapter 536, RSMo, to review, to delay the effective date, or to**
40 **disapprove and annul a rule are subsequently held unconstitutional,**
41 **then the grant of rulemaking authority and any rule proposed or**
42 **adopted after August 28, 2008, shall be invalid and void.**

348.430. 1. The tax credit created in this section shall be known as the
2 "Agricultural Product Utilization Contributor Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Contributor", an individual, partnership, corporation, trust, limited
7 liability company, entity or person that contributes cash funds to the authority;

8 (3) "Development facility", a facility producing either a good derived from
9 an agricultural commodity or using a process to produce a good derived from an
10 agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative
12 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to
13 chapter 357, RSMo, for the purpose of operating **within this state** a
14 development facility or a renewable fuel production facility;

15 (5) "Eligible new generation processing entity", a partnership, corporation,
16 cooperative, or limited liability company organized or incorporated pursuant to
17 the laws of this state consisting of not less than twelve members, approved by the
18 authority, for the purpose of owning or operating within this state a development
19 facility or a renewable fuel production facility in which producer members:

20 (a) Hold a majority of the governance or voting rights of the entity and
21 any governing committee;

22 (b) Control the hiring and firing of management; and

23 (c) Deliver agricultural commodities or products to the entity for
24 processing, unless processing is required by multiple entities;

25 (6) "Renewable fuel production facility", a facility producing an energy

26 source which is derived from a renewable, domestically grown, organic compound
27 capable of powering machinery, including an engine or power plant, and any
28 by-product derived from such energy source.

29 3. For all tax years beginning on or after January 1, 1999, a contributor
30 who contributes funds to the authority may receive a credit against the tax or
31 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
32 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 148,
33 RSMo, chapter 147, RSMo, in an amount of up to one hundred percent of such
34 contribution. Tax credits claimed in a taxable year may be done so on a quarterly
35 basis and applied to the estimated quarterly tax pursuant to this subsection. If
36 a quarterly tax credit claim or series of claims contributes to causing an
37 overpayment of taxes for a taxable year, such overpayment shall not be refunded
38 but shall be applied to the next taxable year. The awarding of such credit shall
39 be at the approval of the authority, based on the least amount of credits
40 necessary to provide incentive for the contributions. A contributor that receives
41 tax credits for a contribution to the authority shall receive no other consideration
42 or compensation for such contribution, other than a federal tax deduction, if
43 applicable, and goodwill.

44 4. A contributor shall submit to the authority an application for the tax
45 credit authorized by this section on a form provided by the authority. If the
46 contributor meets all criteria prescribed by this section and the authority, the
47 authority shall issue a tax credit certificate in the appropriate amount. Tax
48 credits issued pursuant to this section may be claimed in the taxable year in
49 which the contributor contributes funds to the authority. For all fiscal years
50 beginning on or after July 1, 2004, tax credits allowed pursuant to this section
51 may be carried back to any of the contributor's three prior tax years and may be
52 carried forward to any of the contributor's five subsequent taxable years. Tax
53 credits issued pursuant to this section may be assigned, transferred or sold and
54 the new owner of the tax credit shall have the same rights in the credit as the
55 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or
56 otherwise conveyed, a notarized endorsement shall be filed with the authority
57 specifying the name and address of the new owner of the tax credit or the value
58 of the credit.

59 5. The funds derived from contributions in this section shall be used for

60 financial assistance or technical assistance for the purposes provided in section
61 348.407 to rural agricultural business concepts as approved by the authority. The
62 authority may provide or facilitate loans, equity investments, or guaranteed loans
63 for rural agricultural business concepts, but limited to two million dollars per
64 project or the net state economic impact, whichever is less. Loans, equity
65 investments or guaranteed loans may only be provided to feasible projects, and
66 for an amount that is the least amount necessary to cause the project to occur, as
67 determined by the authority. The authority may structure the loans, equity
68 investments or guaranteed loans in a way that facilitates the project, but also
69 provides for a compensatory return on investment or loan payment to the
70 authority, based on the risk of the project.

71 6. In any given year, at least ten percent of the funds granted to rural
72 agricultural business concepts shall be awarded to grant requests of twenty-five
73 thousand dollars or less. No single rural agricultural business concept shall
74 receive more than two hundred thousand dollars in grant awards from the
75 authority. Agricultural businesses owned by minority members or women shall
76 be given consideration in the allocation of funds.

348.432. 1. The tax credit created in this section shall be known as the
2 "New Generation Cooperative Incentive Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Development facility", a facility producing either a good derived from
7 an agricultural commodity or using a process to produce a good derived from an
8 agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative
10 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to
11 chapter 357, RSMo, for the purpose of operating **within this state** a
12 development facility or a renewable fuel production facility and approved by the
13 authority;

14 (4) "Eligible new generation processing entity", a partnership, corporation,
15 cooperative, or limited liability company organized or incorporated pursuant to
16 the laws of this state consisting of not less than twelve members, approved by the
17 authority, for the purpose of owning or operating within this state a development

18 facility or a renewable fuel production facility in which producer members:

19 (a) Hold a majority of the governance or voting rights of the entity and
20 any governing committee;

21 (b) Control the hiring and firing of management; and

22 (c) Deliver agricultural commodities or products to the entity for
23 processing, unless processing is required by multiple entities;

24 (5) "Employee-qualified capital project", an eligible new generation
25 cooperative with capital costs greater than fifteen million dollars which will
26 employ at least sixty employees;

27 (6) "Large capital project", an eligible new generation cooperative with
28 capital costs greater than one million dollars;

29 (7) "Producer member", a person, partnership, corporation, trust or limited
30 liability company whose main purpose is agricultural production that invests cash
31 funds to an eligible new generation cooperative or eligible new generation
32 processing entity;

33 (8) "Renewable fuel production facility", a facility producing an energy
34 source which is derived from a renewable, domestically grown, organic compound
35 capable of powering machinery, including an engine or power plant, and any
36 by-product derived from such energy source;

37 (9) "Small capital project", an eligible new generation cooperative with
38 capital costs of no more than one million dollars.

39 3. Beginning tax year 1999, and ending December 31, 2002, any producer
40 member who invests cash funds in an eligible new generation cooperative or
41 eligible new generation processing entity may receive a credit against the tax or
42 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
43 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, or chapter 148,
44 RSMo, chapter 147, RSMo, in an amount equal to the lesser of fifty percent of
45 such producer member's investment or fifteen thousand dollars.

46 4. For all tax years beginning on or after January 1, 2003, any producer
47 member who invests cash funds in an eligible new generation cooperative or
48 eligible new generation processing entity may receive a credit against the tax or
49 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
50 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 147,
51 RSMo, or chapter 148, RSMo, in an amount equal to the lesser of fifty percent of

52 such producer member's investment or fifteen thousand dollars. Tax credits
53 claimed in a taxable year may be done so on a quarterly basis and applied to the
54 estimated quarterly tax pursuant to subsection 3 of this section. If a quarterly
55 tax credit claim or series of claims contributes to causing an overpayment of taxes
56 for a taxable year, such overpayment shall not be refunded but shall be applied
57 to the next taxable year.

58 5. A producer member shall submit to the authority an application for the
59 tax credit authorized by this section on a form provided by the authority. If the
60 producer member meets all criteria prescribed by this section and is approved by
61 the authority, the authority shall issue a tax credit certificate in the appropriate
62 amount. Tax credits issued pursuant to this section may be carried back to any
63 of the producer member's three prior taxable years and carried forward to any of
64 the producer member's five subsequent taxable years regardless of the type of tax
65 liability to which such credits are applied as authorized pursuant to subsection
66 3 of this section. Tax credits issued pursuant to this section may be assigned,
67 transferred, sold or otherwise conveyed and the new owner of the tax credit shall
68 have the same rights in the credit as the producer member. Whenever a
69 certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
70 notarized endorsement shall be filed with the authority specifying the name and
71 address of the new owner of the tax credit or the value of the credit.

72 6. Ten percent of the tax credits authorized pursuant to this section
73 initially shall be offered in any fiscal year to small capital projects. If any portion
74 of the ten percent of tax credits offered to small capital costs projects is unused
75 in any calendar year, then the unused portion of tax credits may be offered to
76 employee-qualified capital projects and large capital projects. If the authority
77 receives more applications for tax credits for small capital projects than tax
78 credits are authorized therefor, then the authority, by rule, shall determine the
79 method of distribution of tax credits authorized for small capital projects.

80 7. Ninety percent of the tax credits authorized pursuant to this section
81 initially shall be offered in any fiscal year to employee-qualified capital projects
82 and large capital projects. If any portion of the ninety percent of tax credits
83 offered to employee-qualified capital projects and large capital costs projects is
84 unused in any fiscal year, then the unused portion of tax credits may be offered
85 to small capital projects. The maximum tax credit allowed per employee-qualified

86 capital project is three million dollars and the maximum tax credit allowed per
87 large capital project is one million five hundred thousand dollars. If the
88 authority approves the maximum tax credit allowed for any employee-qualified
89 capital project or any large capital project, then the authority, by rule, shall
90 determine the method of distribution of such maximum tax credit. In addition,
91 if the authority receives more tax credit applications for employee-qualified
92 capital projects and large capital projects than the amount of tax credits
93 authorized therefor, then the authority, by rule, shall determine the method of
94 distribution of tax credits authorized for employee-qualified capital projects and
95 large capital projects.

348.505. 1. As used in this section, "state tax liability", any state tax
2 liability incurred by a taxpayer under the provisions of chapters 143, 147, and
3 148, RSMo, exclusive of the provisions relating to the withholding of tax as
4 provided for in sections 143.191 to 143.265, RSMo, and related provisions.

5 2. Any eligible lender under the family farm livestock loan program under
6 section 348.500 shall be entitled to receive a tax credit equal to one hundred
7 percent of the amount of interest waived by the lender under section 348.500 on
8 a qualifying loan for the first year of the loan only. The tax credit shall be
9 evidenced by a tax credit certificate issued by the agricultural and small business
10 development authority and may be used to satisfy the state tax liability of the
11 owner of such certificate that becomes due in the tax year in which the interest
12 on a qualified loan is waived by the lender under section 348.500. No lender may
13 receive a tax credit under this section unless such person presents a tax credit
14 certificate to the department of revenue for payment of such state tax
15 liability. The amount of the tax credits that may be issued to all eligible lenders
16 claiming tax credits authorized in this section in a fiscal year shall not exceed
17 **[one] three hundred [fifty] thousand dollars.**

18 3. The agricultural and small business development authority shall be
19 responsible for the administration and issuance of the certificate of tax credits
20 authorized by this section. The authority shall issue a certificate of tax credit at
21 the request of any lender. Each request shall include a true copy of the loan
22 documents, the name of the lender who is to receive a certificate of tax credit, the
23 type of state tax liability against which the tax credit is to be used, and the
24 amount of the certificate of tax credit to be issued to the lender based on the

25 interest waived by the lender under section 348.500 on the loan for the first year.

26 4. The Missouri department of revenue shall accept a certificate of tax
27 credit in lieu of other payment in such amount as is equal to the lesser of the
28 amount of the tax or the remaining unused amount of the credit as indicated on
29 the certificate of tax credit, and shall indicate on the certificate of tax credit the
30 amount of tax thereby paid and the date of such payment.

31 5. The following provisions shall apply to tax credits authorized under
32 this section:

33 (1) Tax credits claimed in a taxable year may be claimed on a quarterly
34 basis and applied to the estimated quarterly tax of the lender;

35 (2) Any amount of tax credit which exceeds the tax due, including any
36 estimated quarterly taxes paid by the lender under subdivision (1) of this
37 subsection which results in an overpayment of taxes for a taxable year, shall not
38 be refunded but may be carried over to any subsequent taxable year, not to
39 exceed a total of three years for which a tax credit may be taken for a qualified
40 family farm livestock loan;

41 (3) Notwithstanding any provision of law to the contrary, a lender may
42 assign, transfer or sell tax credits authorized under this section, with the new
43 owner of the tax credit receiving the same rights in the tax credit as the
44 lender. For any tax credits assigned, transferred, sold, or otherwise conveyed, a
45 notarized endorsement shall be filed by the lender with the authority specifying
46 the name and address of the new owner of the tax credit and the value of such
47 tax credit; and

48 (4) Notwithstanding any other provision of this section to the contrary,
49 any commercial bank may use tax credits created under this section as provided
50 in section 148.064, RSMo, and receive a net tax credit against taxes actually paid
51 in the amount of the first year's interest on loans made under this section. If
52 such first year tax credits reduce taxes due as provided in section 148.064, RSMo,
53 to zero, the remaining tax credits may be carried over as otherwise provided in
54 this section and utilized as provided in section 148.064, RSMo, in subsequent
55 years.

**348.515. In recognition of the role of animal agriculture in the
2 economic well-being of this state and in recognition that opportunities
3 to succeed in agriculture should not be limited by the economic means**

4 of persons engaged in agriculture, the general assembly of the state of
5 Missouri declares that state assistance in the guarantee of loans made
6 to enable independent livestock and poultry family farm operations to
7 succeed in the operation will benefit the state of Missouri economically
8 and socially and is a public purpose of great importance.

348.518. 1. In addition to the duties and powers established in
2 sections 348.005 to 348.505, the Missouri agricultural and small business
3 development authority shall develop and implement a livestock feed
4 and crop input loan guarantee program as provided in sections 348.515
5 to 348.533. The authority may promulgate rules necessary to carry out
6 the purposes of sections 348.515 to 348.533. The rules promulgated
7 under sections 348.515 to 348.533 shall be designed to encourage
8 maximum involvement and participation by lenders and financial
9 institutions in the loan guarantee program. The authority shall be the
10 administrative agency for the implementation of the loan guarantee
11 program, and may employ such persons as necessary, within the limits
12 of appropriations made for that purpose, to administer the loan
13 guarantee program.

14 2. Any rule or portion of a rule, as that term is defined in section
15 536.010, RSMo, that is created under the authority delegated in this
16 section shall become effective only if it complies with and is subject to
17 all of the provisions of chapter 536, RSMo, and, if applicable, section
18 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
19 and if any of the powers vested with the general assembly pursuant to
20 chapter 536, RSMo, to review, to delay the effective date, or to
21 disapprove and annul a rule are subsequently held unconstitutional,
22 then the grant of rulemaking authority and any rule proposed or
23 adopted after August 28, 2008, shall be invalid and void.

348.521. 1. The authority may issue certificates of guaranty
2 covering a first loss guarantee up to but not more than fifty percent of
3 the loan on a declining principal basis for loans to individuals
4 executing a note or other evidence of a loan made for livestock feed
5 and crop input, but not to exceed the amount of forty thousand dollars
6 for any one individual and to pay from the livestock feed and crop

7 input loan guarantee fund to an eligible lender up to fifty percent of
8 the amount on a declining principal basis of any loss on any guaranteed
9 loan made under the provisions of sections 348.515 to 348.533, in the
10 event of default on the loan. Upon payment of the loan, the authority
11 shall be subrogated to all the rights of the eligible lender.

12 2. As used in sections 348.515 to 348.533, the term "eligible
13 lender" means those entities defined as "lenders" under subdivision (8)
14 of section 348.015.

15 3. The authority shall charge for each guaranteed loan a
16 one-time participation fee of fifty dollars which shall be collected by
17 the lender at the time of closing and paid to the authority. In addition,
18 the authority may charge a special loan guarantee fee of up to one
19 percent per annum of the outstanding principal which shall be
20 collected from the borrower by the lender and paid to the
21 authority. Amounts so collected shall be deposited in the livestock feed
22 and crop input loan program fund and used, upon appropriation, to pay
23 the costs of administering the program.

24 4. All moneys paid to satisfy a defaulted guaranteed loan shall
25 only be paid out of the livestock feed and crop input loan guarantee
26 fund established by sections 348.515 to 348.533.

27 5. The total outstanding guaranteed loans shall at no time exceed
28 an amount which, according to sound actuarial judgment, would allow
29 immediate redemption of twenty percent of the outstanding loans
30 guaranteed by the fund at any one time.

348.524. 1. There is hereby established in the state treasury the
2 "Livestock Feed and Crop Input Loan Guarantee Fund". The fund shall
3 consist of money appropriated to it by the general assembly, charges,
4 gifts, grants and bequests from federal, private or other
5 sources. Notwithstanding the provisions of section 33.080, RSMo, no
6 portion of the fund shall be transferred to the general revenue fund.

7 2. All moneys received by the authority for payments made on
8 previously defaulted guaranteed loans shall be paid promptly into the
9 state treasury and deposited in the fund.

10 3. The fund shall be administered by the Missouri agricultural

11 and small business development authority organized under sections
12 348.005 to 348.180.

13 4. Beginning with fiscal year 2008-2009, the general assembly
14 may appropriate moneys not to exceed four million dollars for the
15 establishment and initial funding of the livestock feed and crop input
16 loan guarantee fund.

348.527. Moneys in the fund, both unobligated and obligated as
2 a reserve, which in the judgment of the authority are not currently
3 needed for payments of defaults of guaranteed loans, may be invested
4 by the state treasurer, and any income therefrom shall be deposited to
5 the credit of the fund.

348.530. 1. Persons eligible for guarantees for loans under the
2 provisions of sections 348.515 to 348.533 are individuals engaged in
3 farming operations as defined in section 348.015, who intend to use the
4 proceeds from the loan to finance the purchase of livestock feed used
5 to produce livestock and input used to produce crops for the feeding of
6 livestock, and who are seeking a loan or loans to finance not more than
7 ninety percent of the anticipated cost.

8 2. The authority shall adopt and promulgate rules establishing
9 eligibility under the provisions of sections 348.515 to 348.533, taking
10 into consideration the individual's ability to repay the loan, the general
11 economic conditions of the area in which the individual will be located,
12 the prospect of success of the particular farm operation for which the
13 loan is sought and such other factors as the authority may
14 establish. The eligibility of any person for a loan guarantee under the
15 provisions of sections 348.515 to 348.533 shall not be determined or
16 otherwise affected by any consideration of that person's race, religion,
17 sex, creed, color, or location of residence. The authority may also
18 provide for:

19 (1) The requirement or nonrequirement of security or
20 endorsement and the nature thereof;

21 (2) The manner and time of repayment of the principal and
22 interest;

23 (3) The maximum rate of interest;

- 24 **(4) The right of the borrower to accelerate payments without**
25 **penalty;**
- 26 **(5) The amount of the guaranty charge;**
- 27 **(6) The effective period of the guaranty;**
- 28 **(7) The percent of the loan, not to exceed fifty percent, covered**
29 **by the guaranty;**
- 30 **(8) The assignability of loans by the lender;**
- 31 **(9) Procedures in event of default by the borrower;**
- 32 **(10) The due diligence effort on the part of lenders for collection**
33 **of guaranteed loans;**
- 34 **(11) Collection assistance to be provided to lenders; and**
- 35 **(12) The extension of the guaranty in consideration of duty in**
36 **the armed forces, unemployment, natural disasters, or other hardships.**

348.533. The authority, by rule, shall determine the policy of
2 **collections and recovery of loans, including the use of private collection**
3 **agencies. The authority may institute action to recover any amount**
4 **due the state in any loan transaction, use private collection agencies,**
5 **or otherwise carry out the policy of the authority. The lender making**
6 **the original loan shall cooperate with the authority in the collection of**
7 **the loan and shall use its regular collection procedures prior to any**
8 **action being undertaken by the authority.**

 [340.399. The department shall grant a deferral of interest
2 and principal payments to a financial assistance recipient who is
3 pursuing a postdegree training program, or upon special conditions
4 established by the department. The deferral shall not exceed four
5 years. The status of each deferral shall be reviewed annually by
6 the department to ensure compliance with the intent of this
7 section.]

 [340.402. When necessary to protect the interest of the
2 state in any financial assistance transaction under sections 340.375
3 to 340.405, the department may institute any action to recover any
4 amount due.]

 [340.405. 1. Sections 340.375 to 340.405 shall not be
2 construed to require the department to enter into contracts with

3 individuals who qualify for education loans or loan repayment
4 programs when federal, state and local funds are not available for
5 such purposes.

6 2. Sections 340.375 to 340.405 shall not be subject to the
7 provisions of sections 23.250 to 23.298, RSMo.

8 3. Sections 340.375 to 340.405 shall expire on June 30,
9 2013.]

Unofficial

Bill

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